

Competitive Issues Working Group

May 21, 2004

Minutes

The second meeting was called to order at 10 a.m. by Convener Philip R. O'Connor. As with all meetings, the anti-trust admonition and goals of the entire Post 2006 Workshop process were announced.

The parties proceeded to introduce themselves. In attendance, there were representatives from ICC Staff, Electric Utilities (Exelon/ComEd, Ameren, Illinois Power, MidAmerican) Retail Electric Suppliers (Ameren Energy Marketing, Constellation NewEnergy, MidAmerican, Peoples Energy Services, Exelon Energy Services), Other Potential RESs (Centrica/Direct Energy, Reliant), Independent Power Producers (Midwest Generation), Consumer & Governmental Representatives (CUB, AG, City of Chicago, Cook County State's Attorney, Department of Commerce and Economic Opportunity), Consultants (BlueStar Energy Services), Trizec Properties and Shorenstein Realty (Giordano & Neilan), Industrial Customers (IIEC, Trizec Properties), Connoco Phillips, and the IBEW.

Overview of 5/21 Conveners Meeting:

A Joint Group Meeting is trying to be scheduled for either June 22-23, 2004 or June 29-30, 2004 at the Commission's Chicago office.

There will be two main topics addressed at the Joint Meeting:

- PJM & MISO Issues
 - Seams Issues
 - Implications of Tariffs
 - Business Practices that affect retail competition
 - How Rules of the Game vary across RTOs
- Myriad Competitive Models
 - Texas – Reliant will arrange for speakers that may include rep. from the Texas PUC
 - Maryland/New Jersey/Massachusetts – CNE will arrange for speakers
 - Re-Regulation – California/Montana – CNE will arrange for speakers
 - European/New Zealand Models – CNE will arrange for speakers
- It was also suggested that 2 other issues should be considered for a Joint Group Meeting:
 - Wholesale issues
 - Various definitions of “competition” and analyses used by the FERC, DOJ, ICC

Implementation Mechanics

The topics for the meeting were to include various “implementation” and “mechanical” issues related to competition, including:

- customer switching rules and procedures;
- RTO/OATT impacts on retail competition;
- Utility requirements for transmission studies as a condition of retail access;
- Utility tariff and non-tariff business practice impacts on retail competition;
- Delivery services billing and electronic data exchange;
- Access to information
- “Wet” or electronic signatures
- Meter change outs
- Single Billing Options Issues
- General Account Agency Issues

A suggestion was made to consider some of the efforts in other jurisdiction (New York) to adopt uniform business practices as well as whether uniformity of business practices should be a goal to pursue.

A question was posed as to the status of the Staff’s study regarding the transmission system in Illinois. Staff advised the parties that the study was still ongoing.

The AG advised the parties that they reached the conclusion in a prior Commission Docket that the Public Utilities Act (“PUA”) does not support the use of electronic signatures for enrolling residential and small commercial customers.

There was also a strong recommendation that “critical policy issues” should be considered by this working group.

In an effort to develop a structure for analyzing these issues, and setting up a structure for smaller groups to address some of these issues, O’Connor recommended that all of the issues be addressed by relying upon the following five (5) “clusters”:

- ARES Certification / Financial Issues
- Customer Information / Information Access
- Switching Processes
- Billing Issues (SBO, Timing, Consolidated Billing)
- FERC/MISO/RTO/PJM Issues & Transmission Business Practices

An alternative proposal was offered for consideration of the same issues:

- FERC/RTO/MISO/PJM
- Business Practices
- Tariff Issues & ICC Administrative Rules
- Policy Issues

After some lengthy discussion, it was decided that a hybrid of the 2 approaches would be utilized. O'Connor will circulate a "matrix" that will combine both approaches as a means to organize the discussion on a going-forward basis.

Larger and broader issues, such as insuring a "diverse, liquid, transparent and vibrant" wholesale electric and reciprocity will be addressed in the broader group instead of smaller subgroups.

The matrix will be distributed prior to the next meeting and volunteers to lead the subgroups will be solicited.

A full set of electric utility tariffs will be made available at the next meeting. We will also seek to have a member from the ICC's Office of General Counsel make a presentation regarding the current of the law regarding delivery services tariffs and tariffs in general under the PUA.

The meeting was adjourned at 12:15 p.m.

Next Steps

Matrix distributed to the parties by Thursday, May 27th

Next Meeting – Wednesday, June 2, 2004 at 10 a.m. @ the offices of Constellation NewEnergy, 550 W. Washington Blvd., Suite 300.